THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (c) The information is being collected and will be laid on the table of the House.

Interest Rate Charged on Education Loans

1950. SHRIMATI JAYA BACHCHAN: Will the Minister of FINANCE be pleased to state:

(a) the rate of interest charged on education loans by Government and other banks;

(b) whether there is any proposal to bring down this rate of interest in order to reduce mental pressure on students and in a bid to reduce the cost of education; and

(c) if not, what are the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) As per extant guidelines, the interest rate on education loans upto Rs. 4 lakh should not exceed the Benchmark Prime Lending Rate (BPLR) of the banks and for loans above Rs. 4 lakh it should not exceed BPLR+1 per cent.

(b) and (c) Certain features have been built into the education loan scheme to reduce the burden of interest on the student. There is a repayment holiday/moratorium, during the period of the course plus one year or six months after getting a job, whichever is earlier. Furthermore, the interest is to be debited quarterly/half yearly on simple basis during the repayment holiday/moratorium period to further ease the interest burden on the student.

Transfer of Wagon Manufacturing Units to Railways

1951. SHRI D. RAJA: Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether Government is considering a proposal to transfer Bharat Wagon & Engineering Ltd. to the Ministry of Railways;

(b) if so, the details thereof; and

(c) whether Government would consider the transfer of other two wagon manufacturing units in West Bengal i.e. Burn Standard and Braithwaite to the Railways in the same fashion?

THE MINISTER OF STATE IN THE DEPARTMENT OF HEAVY INDUSTRIES, MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRIMATI KANTI SINGH): (a) and (b) Yes, Sir. The Government has approved the proposal to transfer the administrative control of Bharat Wagon & Engineering Company Limited (BWEL) to Ministry of Railways.

(c) Government has already restructured M/s. Braithwaite & Company during 2006-07. M/s. Burn Standard Company Limited has huge liability of more than Rs. 500 crore and is under reference to BIFR for its financial restructuring. There is no proposal at present to transfer of these two companies to Ministry of Railways.